



# Portuguese Investment Market

From broad-based momentum to selection,  
structuring and execution

16 | April | 2026

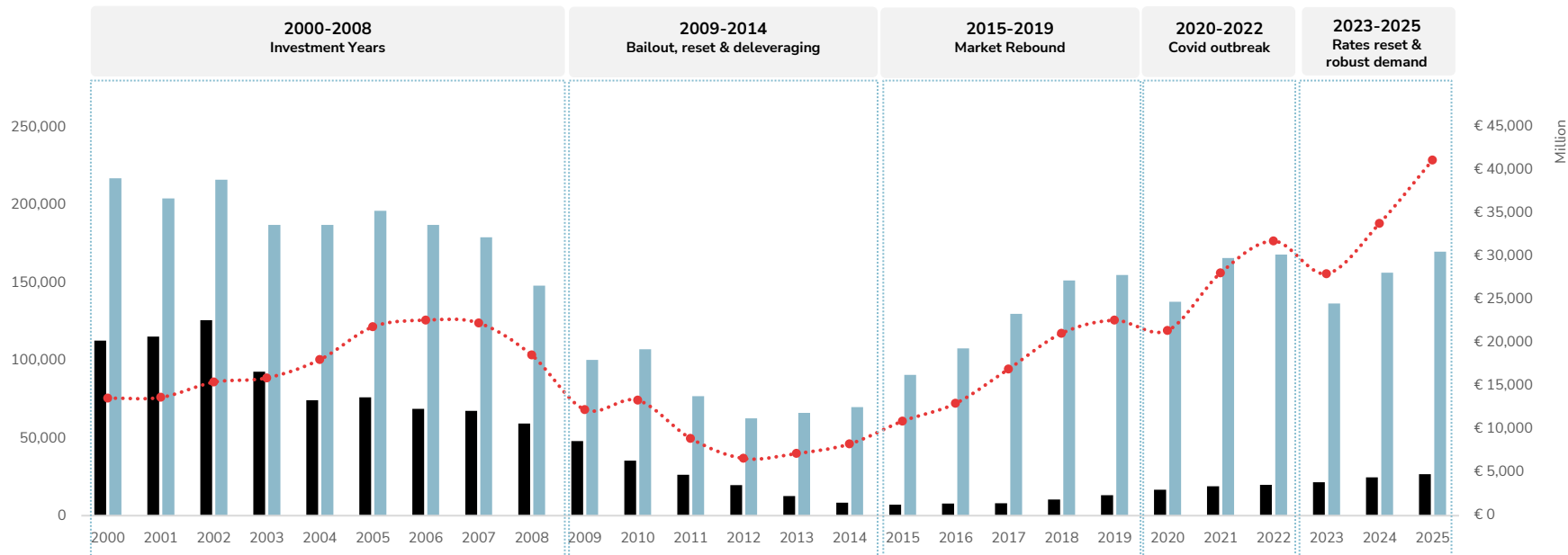
# Macro Background: supportive enough for real estate although uncertainty from geopolitical instability

	STATUS QUO	INVESTMENT READ-THROUGH
MACRO ECONOMIC BACKGROUND	GDP growth 1.8% (2026 forecast) Inflation: 2.8% (March 2026) Unemployment: 5.8% (February 2026) ECB deposit rate 2.0% (March 2026)	Funding conditions are more stable than in the rate-shock phase, but <b>headwinds from geopolitical volatility</b> adds additional <b>uncertainty</b> to the market.
POLICY FRAMEWORK	Improving corporate tax environment Supply-led housing agenda Talent and capital attraction (IFCI regime)	Strong <b>opportunity in living and moderate-rent product</b> , <b>reduction in the general corporate tax rate</b> for the coming years and a priority on selected talent and innovation led investment.
RESIDENTIAL MARKET	House price index: +17.6% (Q4 2025) # Transactions: 170.000 (+8.6%yoy) Investment Volume: €41B (+21.7% yoy)	Living remains the anchor theme, supported by <b>structural undersupply and robust demand</b> .
OCCUPATIONAL MARKETS	Take up above long run average Committed pipeline above 40% Rental growth across sectors	<b>Scarcity of high quality and ESG compliance stock</b> , resilient demand creating a competitive environment with further rental tension in the near future .
CAPITAL MARKETS	2025 CRE turnover: €2.8B (+22% yoy) Q1 2026 CRE turnover: €900M (+37% yoy) Stable Yields: 5.00% (office prime yield)	Liquidity has returned and cross-border interest is here, but <b>pricing is more discriminating</b> . Value creation and risk exposure relying on execution.

# Residential

# 15 years of underbuilding collapses with rising demand: the imbalance is structural and prices upsurge is inevitable

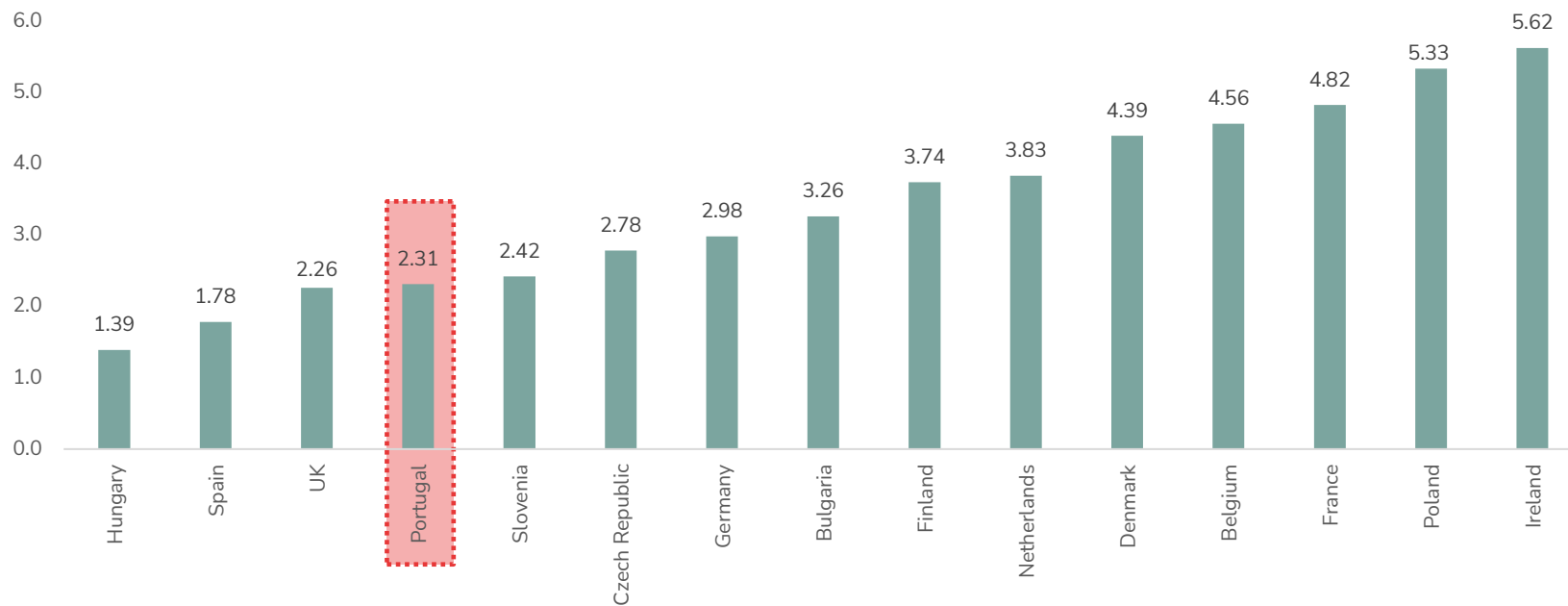
## SUPPLY & DEMAND



## Supply is scarce and even with an upward pressure

Portugal this one of the countries with the lowest housing development dynamics

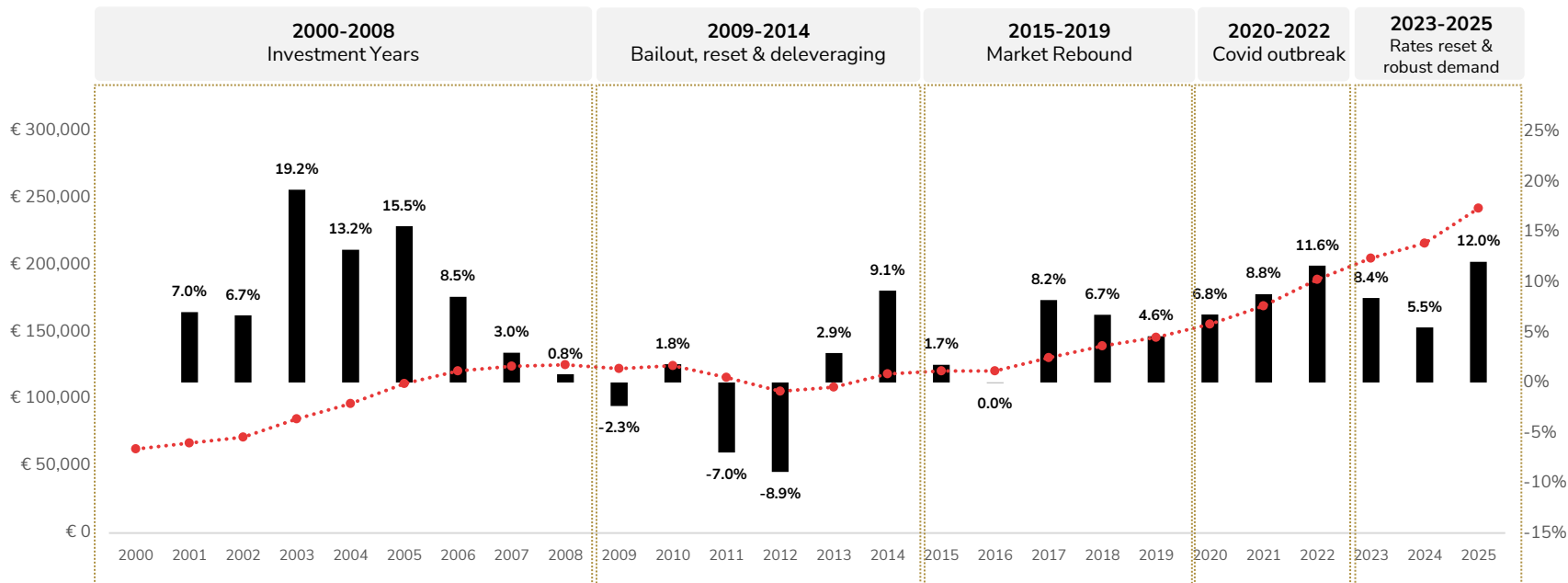
### HOUSING DEVELOPMENT INTENSITY 2024



# Long-run sales price evolution:

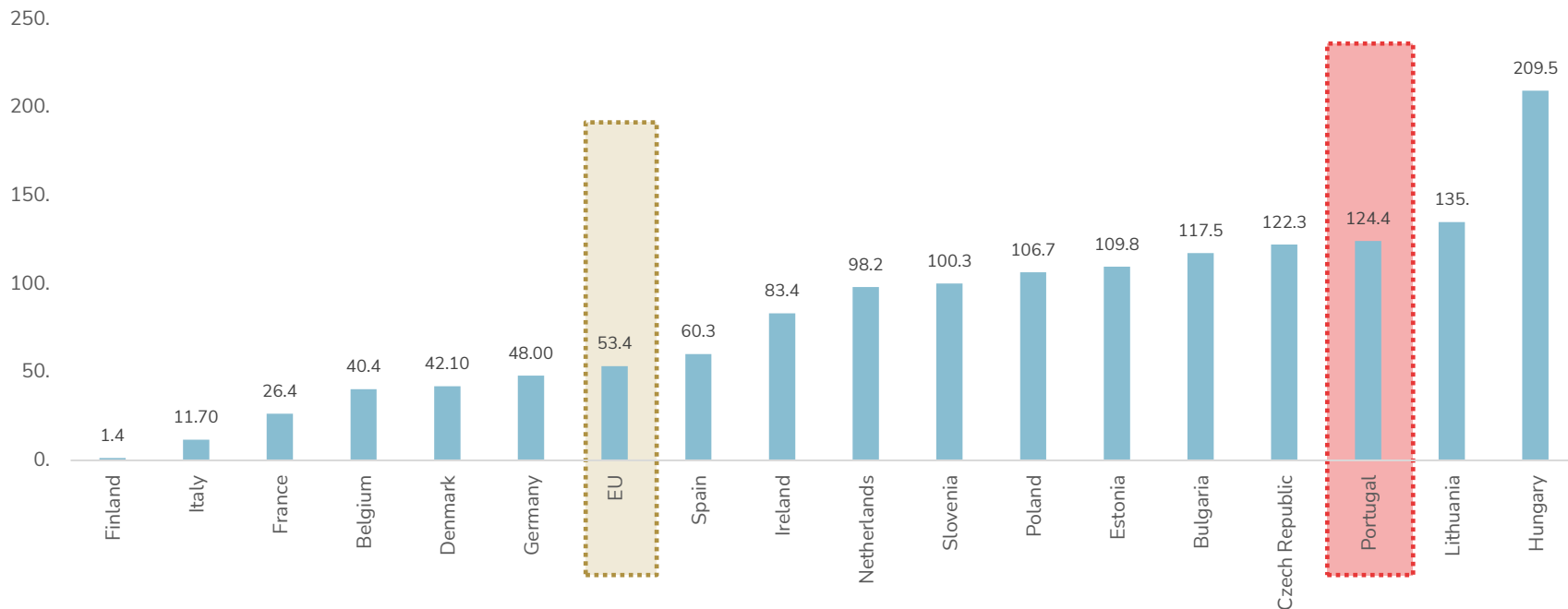
continuous price increase on a rolling year due to demand recovery and supply constrains

## HOUSE PRICE INCREASE



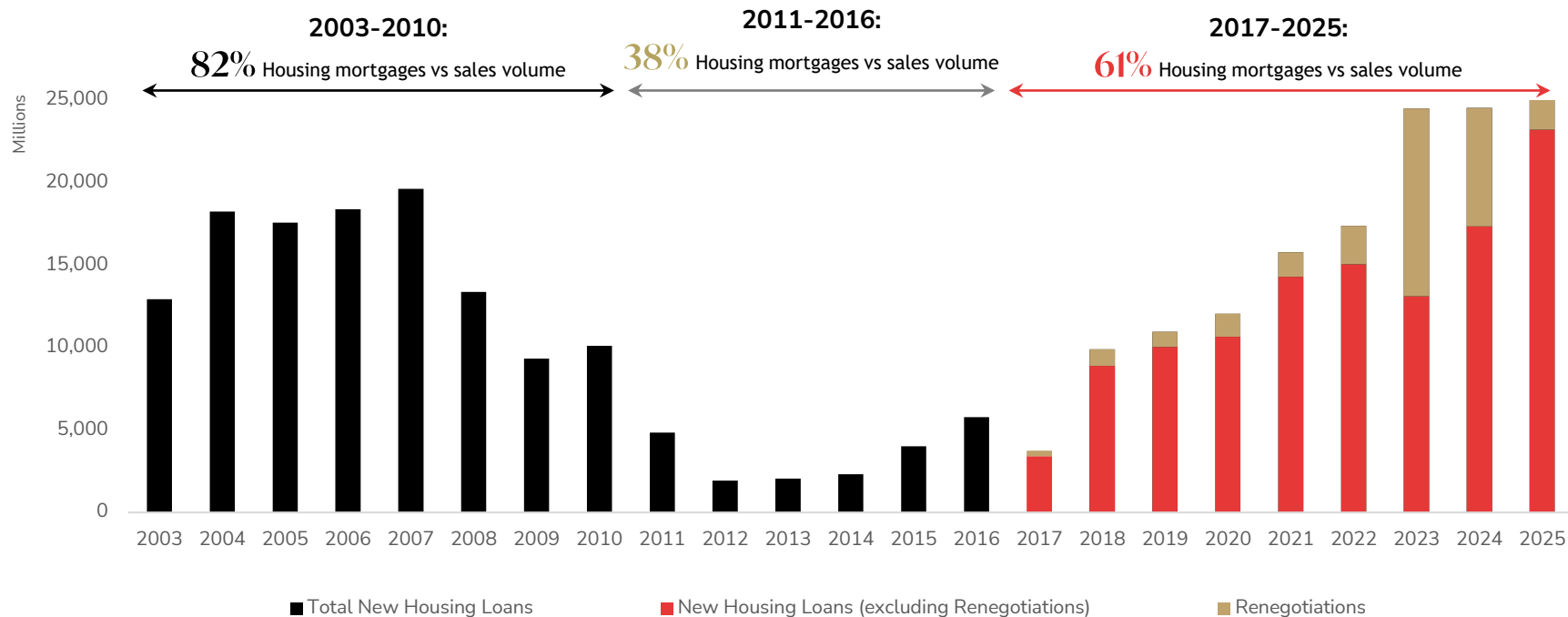
# Although with prices spiraling across Europe, Portugal is one of the countries with the highest price increase and more than double the Eurozone growth

HOUSE PRICE INDEX CHANGE IN PORTUGAL AND SELECTED EU COUNTRIES (2015=100)



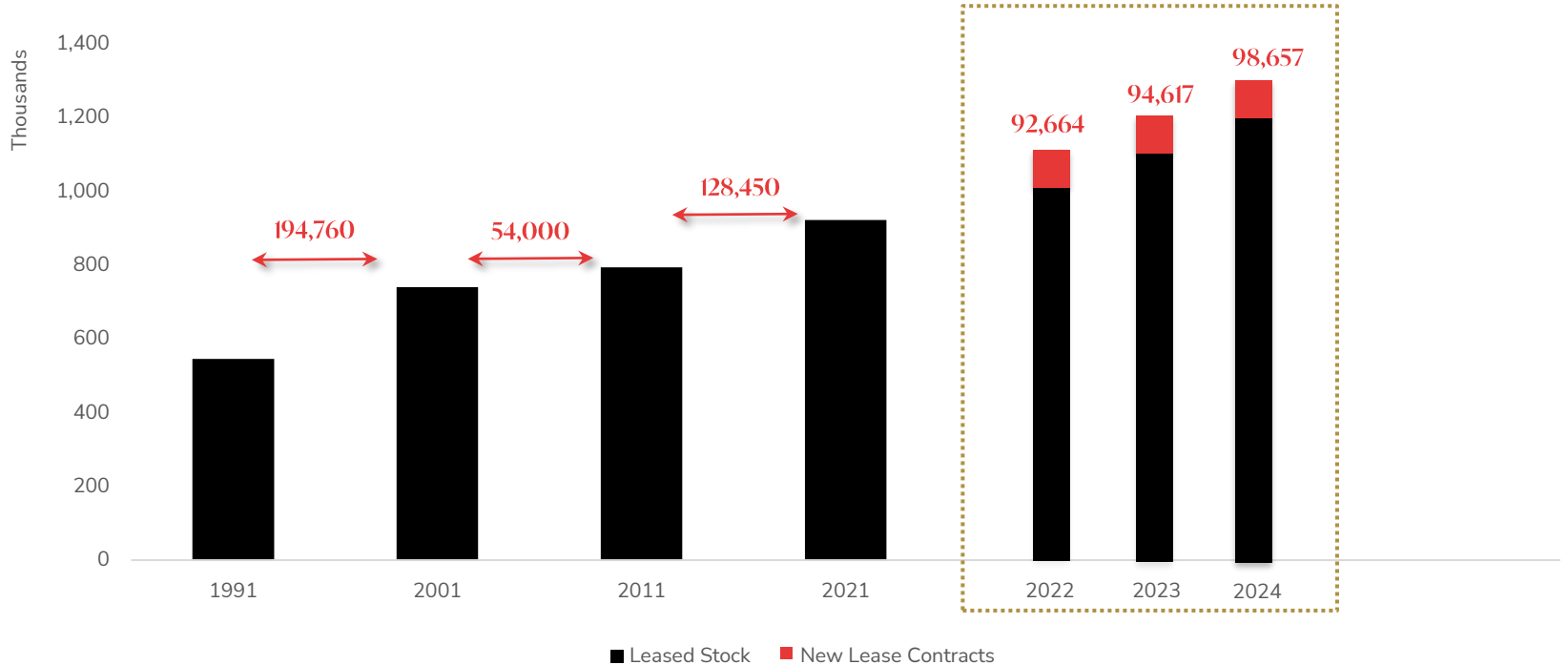
# Housing credit is back with a rolling year record high while banking system exposure remains limited

## HOUSING MORTGAGES



The lease market is immature and a secondary tenure option, albeit housing accessibility on the sell side is driving demand to an undersupply lease market

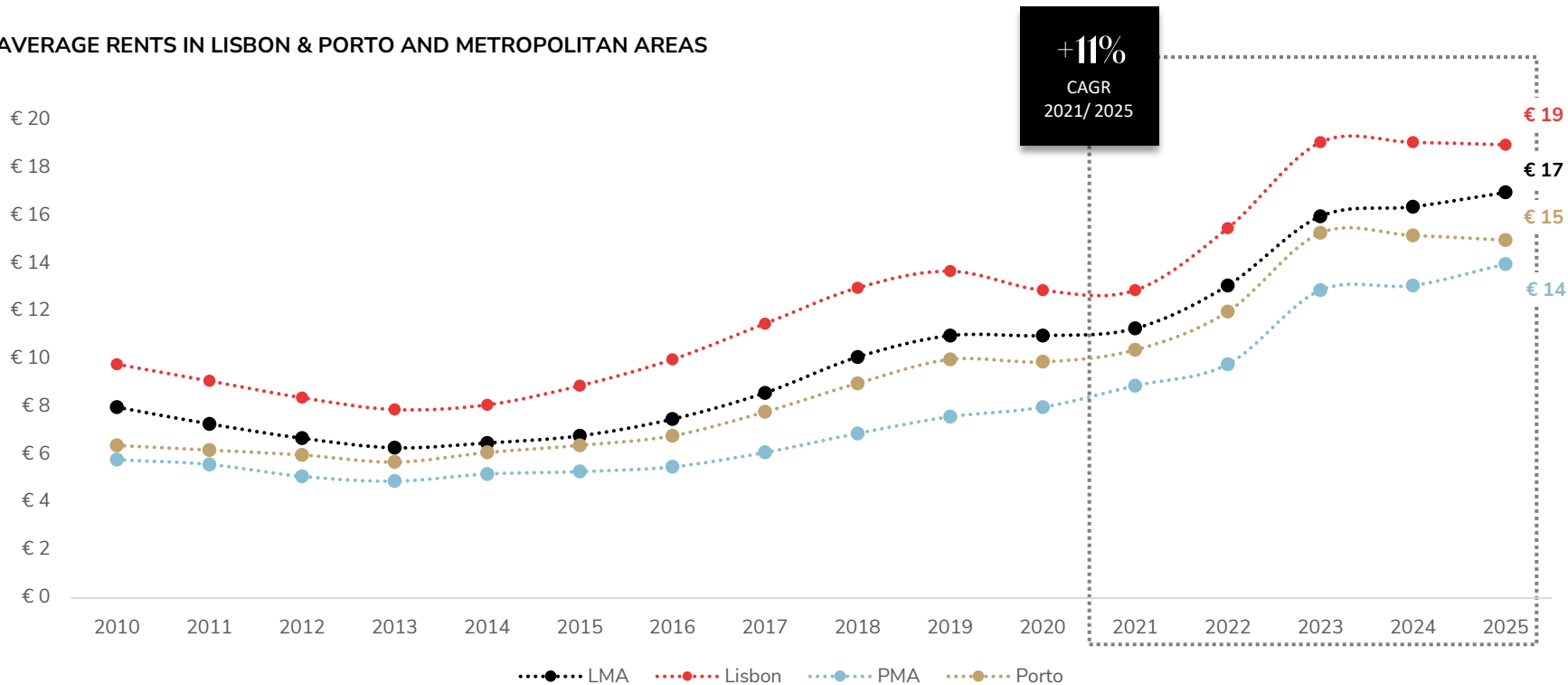
LEASE STOCK EVOLUTION



Source: INE

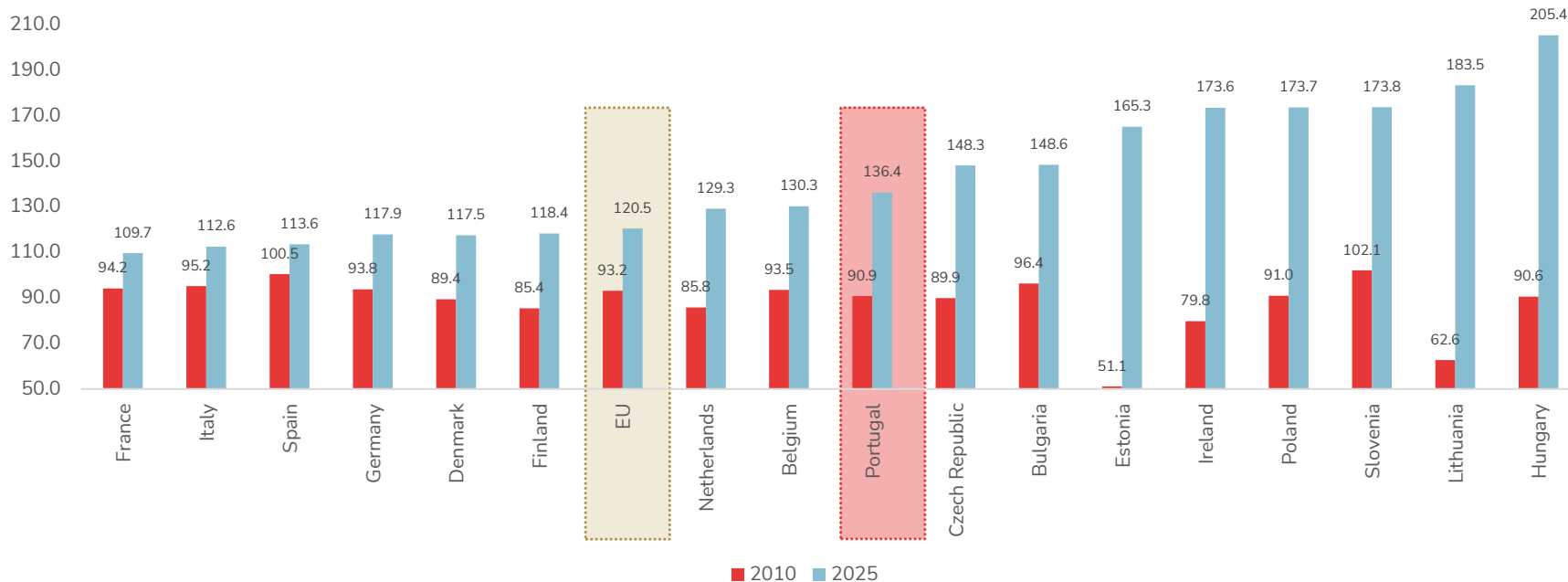
# Fast repricing of rents as rental demand deepens

### AVERAGE RENTS IN LISBON & PORTO AND METROPOLITAN AREAS



# Rents are on an upsurge trend across Europe and Portugal stands above the EU average although with a more moderate growth than on sales prices

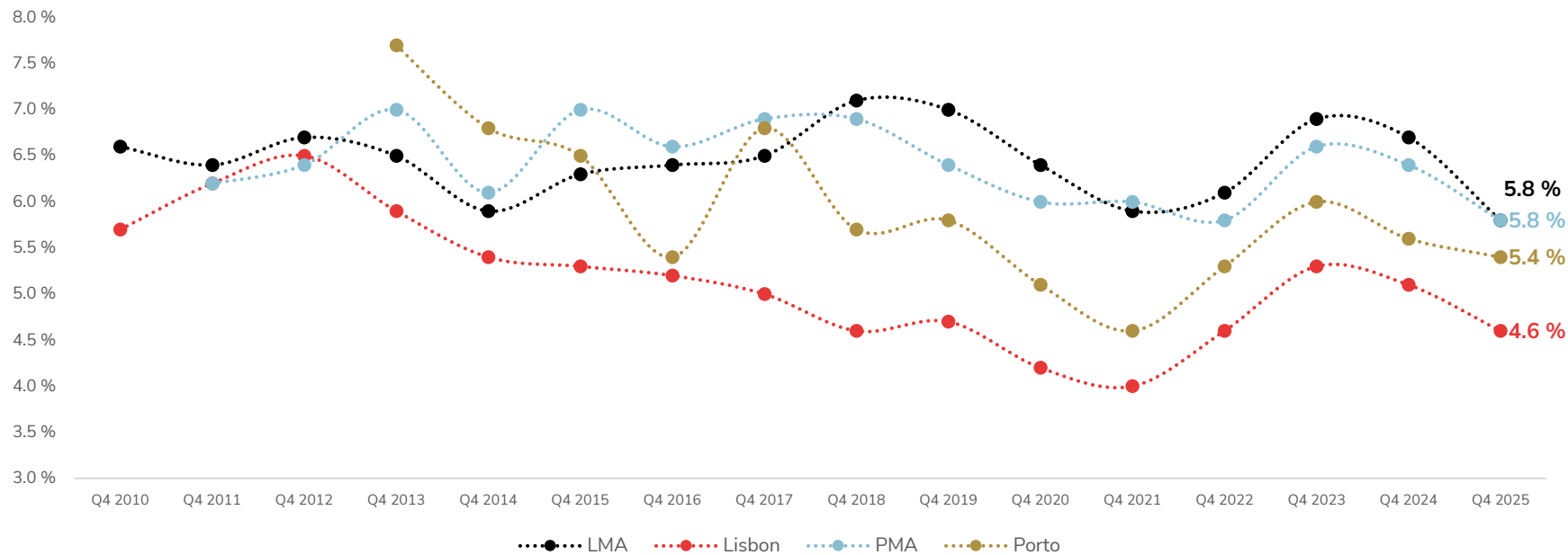
### ACTUAL RENTALS FOR HOUSING CHANGE 2010-2025 IN PORTUGAL AND SELECTED EU COUNTRIES



Source: Eurostat, (2015= 100)

# Residential yields compressing with Lisbon and Porto priced as core assets

## RESIDENTIAL YIELDS



# Undersupplied Market with sociodemographic pressure and Skyrocketing Prices

01

Affordability constraints in **housing accessibility**

02

**Unserved bulk market** at affordable prices either to sell and lease

03

**Increase housing production** and alignment with demand requirements

04

**Easing and speed** of licensing procedures and construction is mandatory

05

**Opportunities across the market spectrum:** from luxury to social housing and from renewal to redevelopment

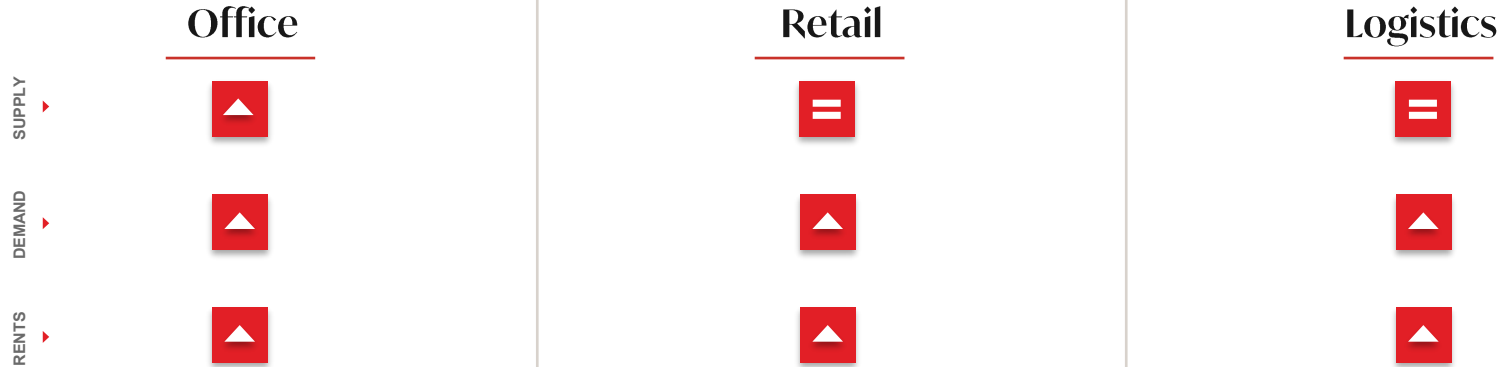
06

Investors appetite due to strong fundamentals but **risk perception still high**

# Commercial Real Estate



**Three Sectors, One Pattern:** constrained supply, resilient occupier demand and visible rental pressure.



INVESTMENT READ-THROUGH

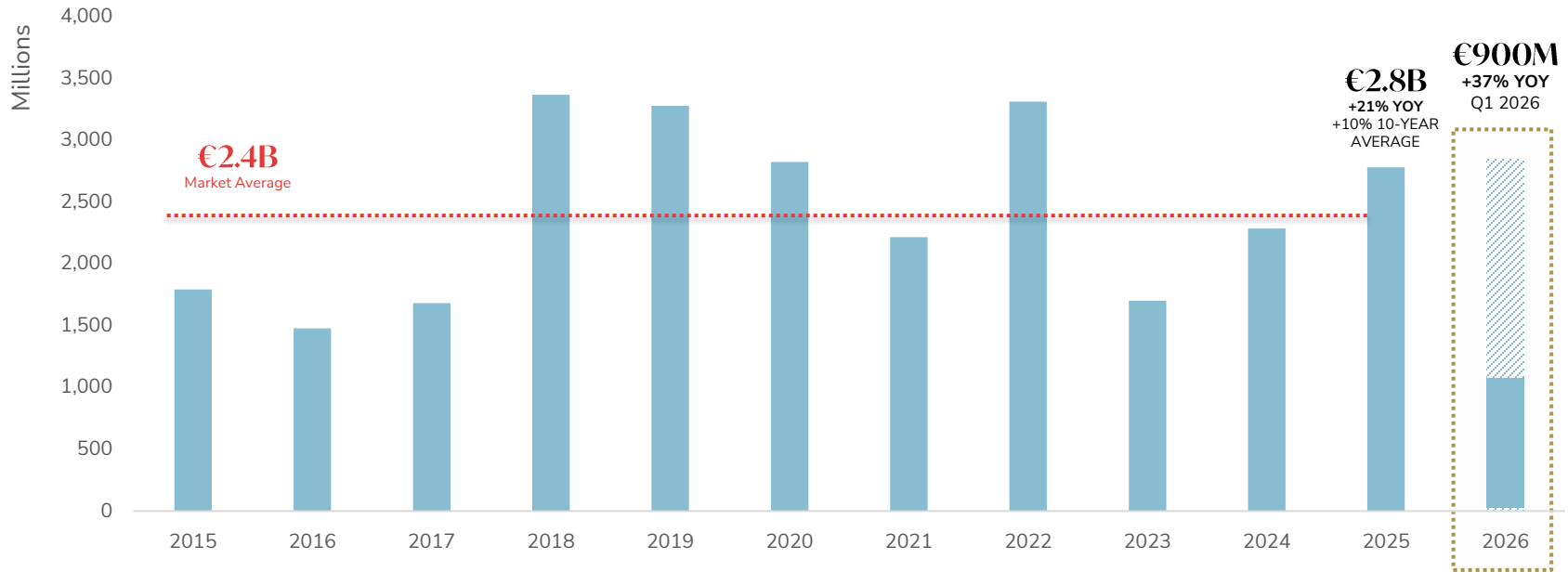
Office value creation centered on rental progression and asset quality differentiation.

Record levels in prime rents, while scarcity of supply supports further rental upsurge.

Shortage of modern stock, low vacancy and even with a strong pipeline, further rental growth is predicted.

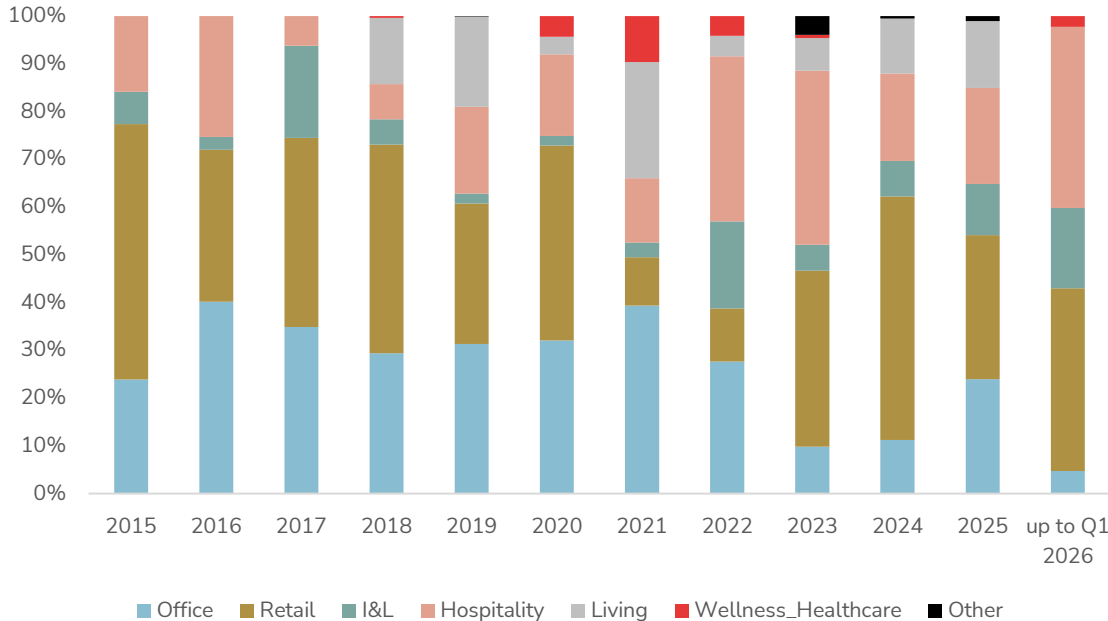
# Strong market performance in 2025, confirming market rebound that is due to be maintained in 2026

## INVESTMENT TURNOVER IN PORTUGAL



# Office and Retail as the Traditional Portuguese Sectors but Diversification of Capital Allocation is on the Rise

## INVESTMENT TURNOVER BY SECTOR



Source: Dils, market research

## MAIN TRANSACTIONS (2025 AND Q1 2026)



### Norte Shopping (50%) | 2025

57,863 sqm € 340m  
Buyer: Sonae Sierra | Seller: Nuveem



### Portfolio PBSA Livensa Living | 2025

2,470 beds € 300m  
Buyer: Nido Living | Seller: Livensa Living



### Arrábida e Gaia Shopping (70%) | Q1 2026

119,428 sqm € 180m  
Buyer: Sonae Sierra | Seller: Sierra Portugal Fund



### Hotel Cascais Miragem 5\* | 2025

195 keys € 125m  
Buyer: Ibervalles e ARD Investment & Development (JV)  
Seller: GJC Hotels



### Hotel Penha Longa 5\* | Q1 2026

196 keys € 120m  
Buyer: L Catterton + Cedar Capital (JV) | Seller: Carlyle Group



### Covilhã Data Center | Q1 2026

€ 120m  
Buyer: Asterion Industrial Partners | Seller: Altice

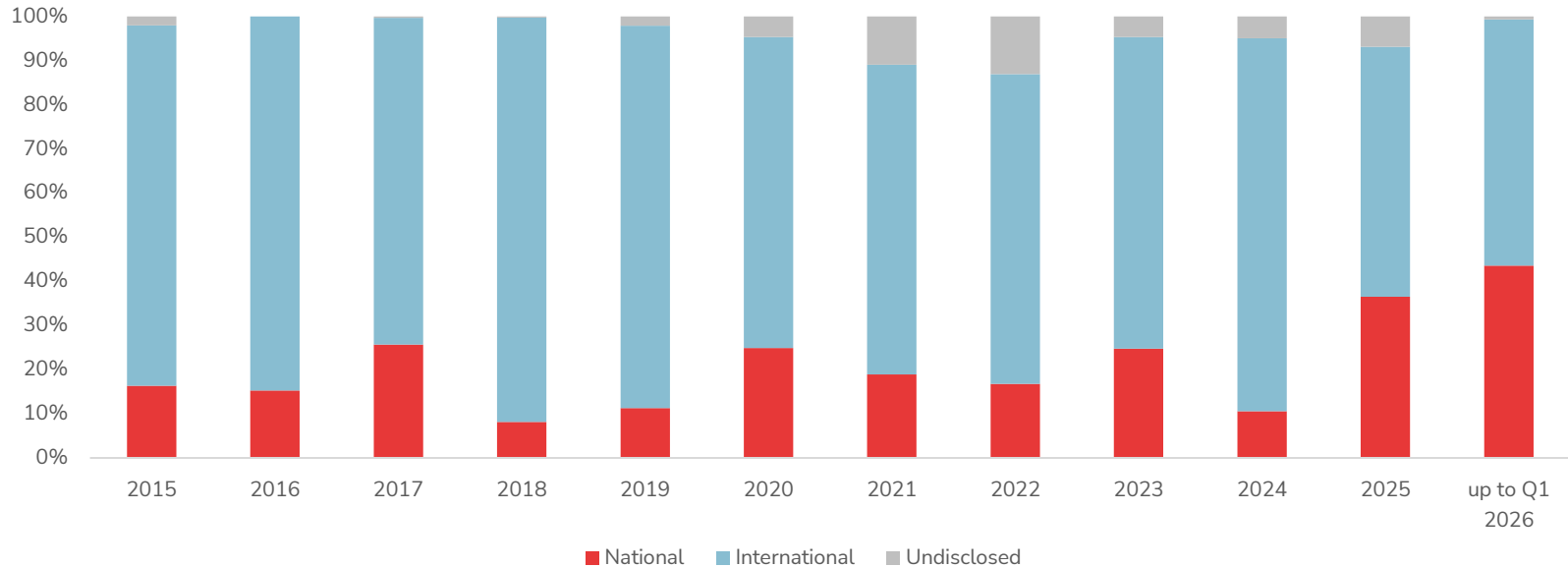


### EXEO Lumnia | 2025

28,315 sqm € 120m  
Buyer: Arié | Seller: Avenue

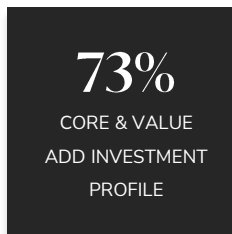
# Portugal on the radar for international investment but domestic players are gaining traction

## DOMESTIC AND INTERNATIONAL INVESTMENT

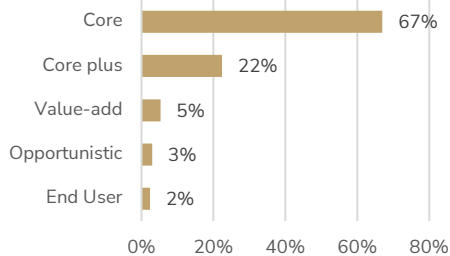


# Investment Profile Anchored on Core and Value Add Strategies although dependent on sector and market maturity

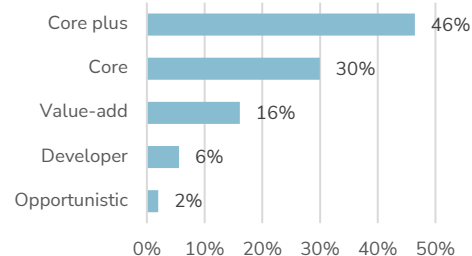
## INVESTOR PROFILE 2025



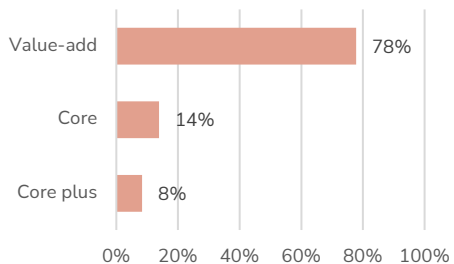
### Retail



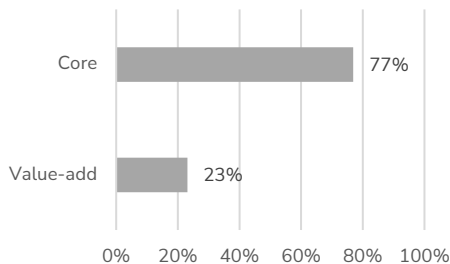
### Office



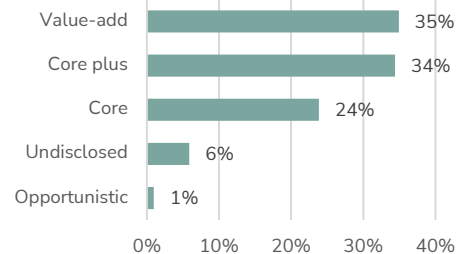
### Hospitality



### Living

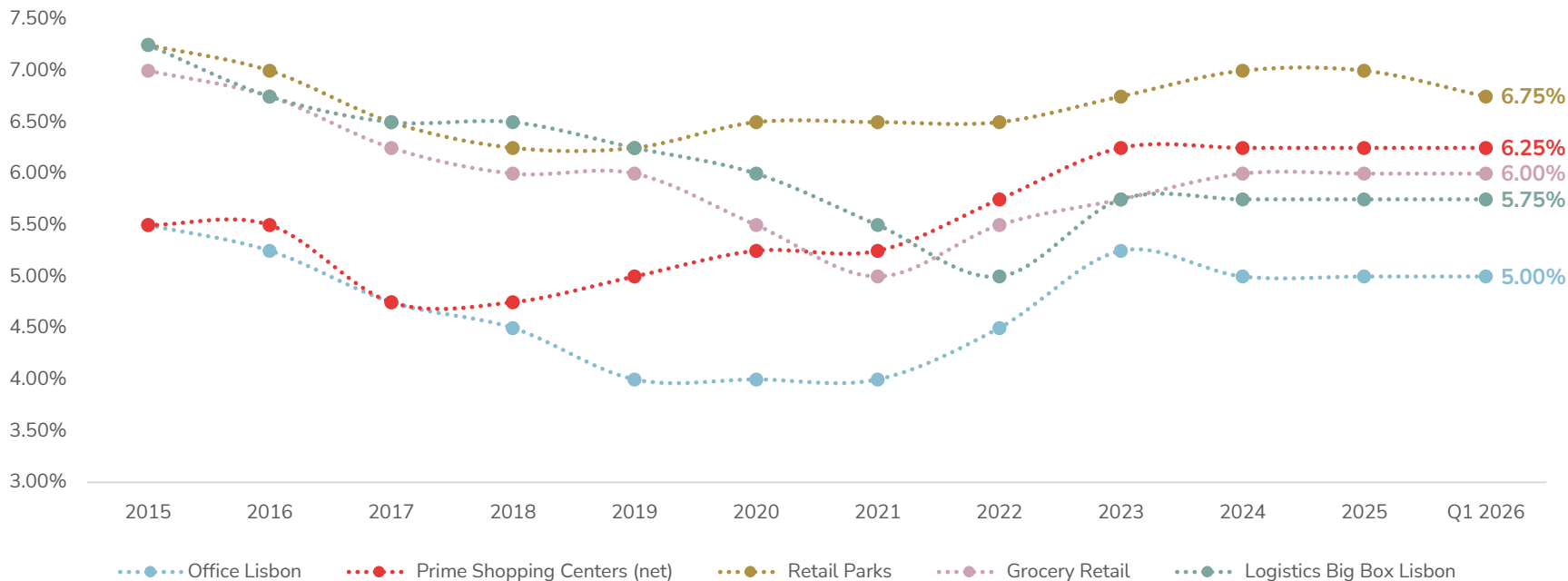


### I&I



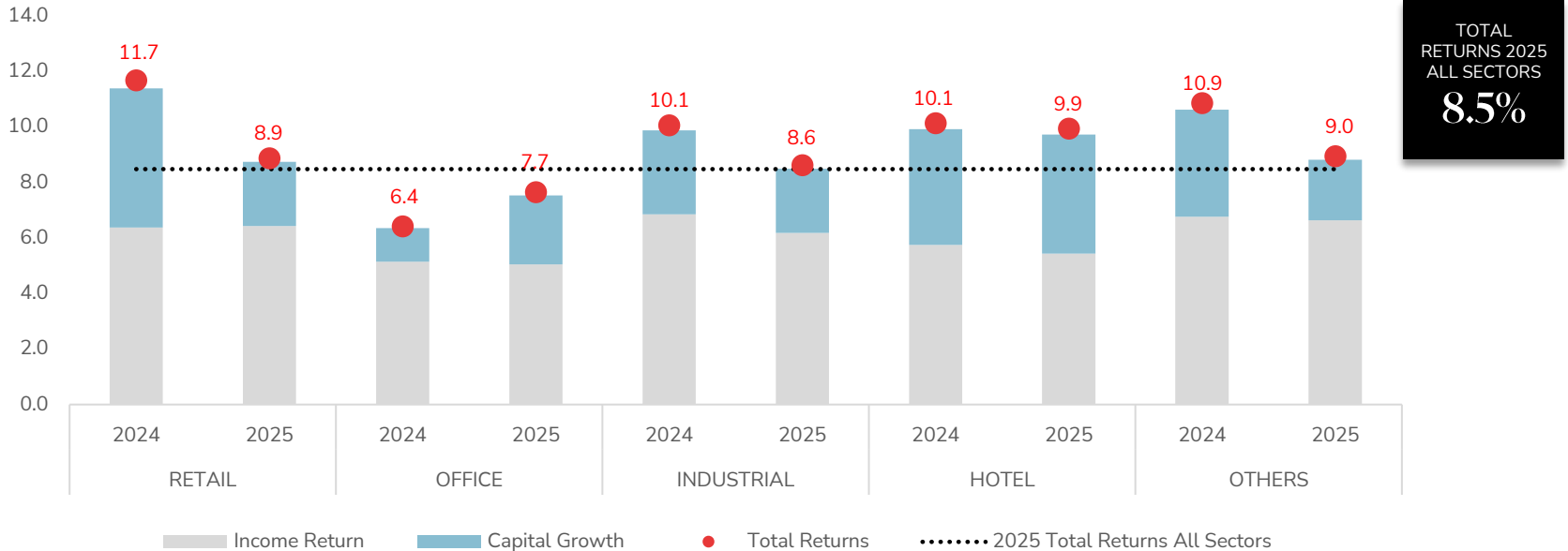
# Yields stabilized over the last years: value creation anchored on leasing, capex and repositioning

## PRIME YIELDS EVOLUTION



# Moderation in total returns due to softer capital appreciation and stable income returns with retail, logistics and hotels outperforming office

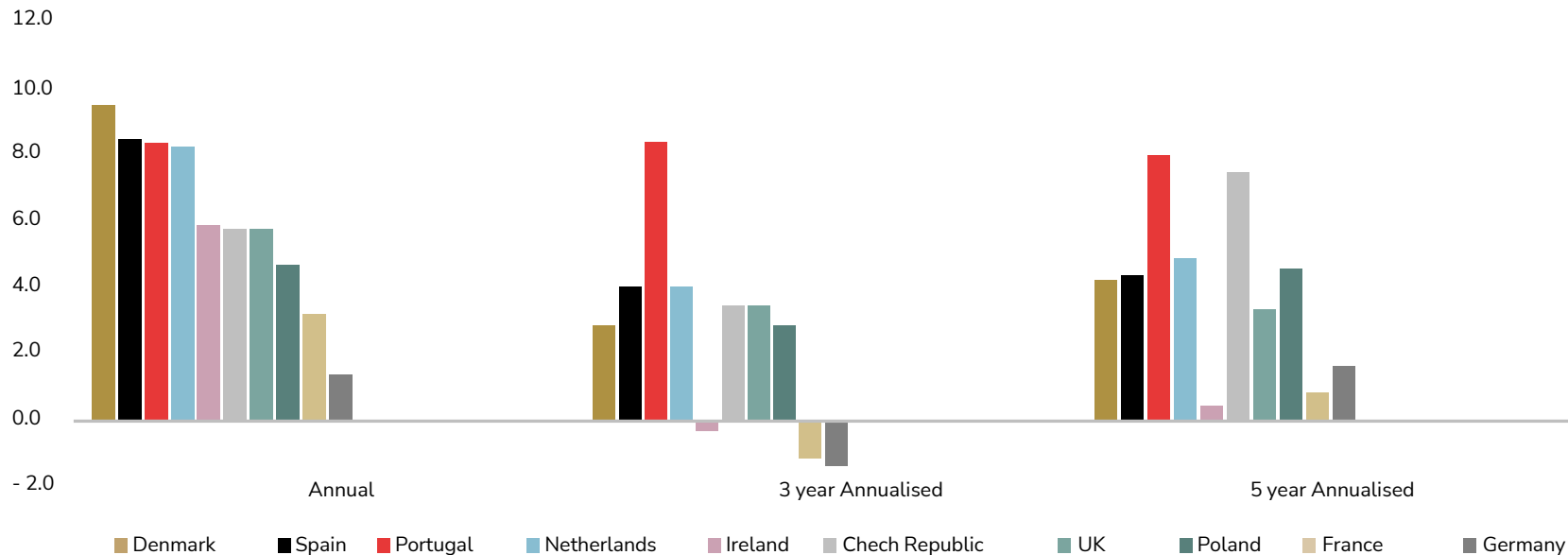
## TOTAL RETURNS AND SECTOR DECOMPOSITION



Source: MSCI

# Portugal combines downside protection with competitive long-term returns, positioning it as a resilient core-plus market within Europe

## EUROPEAN MARKET PERFORMANCE OVER TIME



Source: MSCI (2026)

# Liquidity remains abundant but volatility is the baseline

and Investor discipline is expected to prevail

01

Capital reopened across  
the risk spectrum and  
sector wise

02

Office market is showing  
signs of recovery and  
retail assets on the  
spotlight

03

Portuguese family offices  
increasingly becoming  
relevant players

04

Value creation is more  
execution-led

05

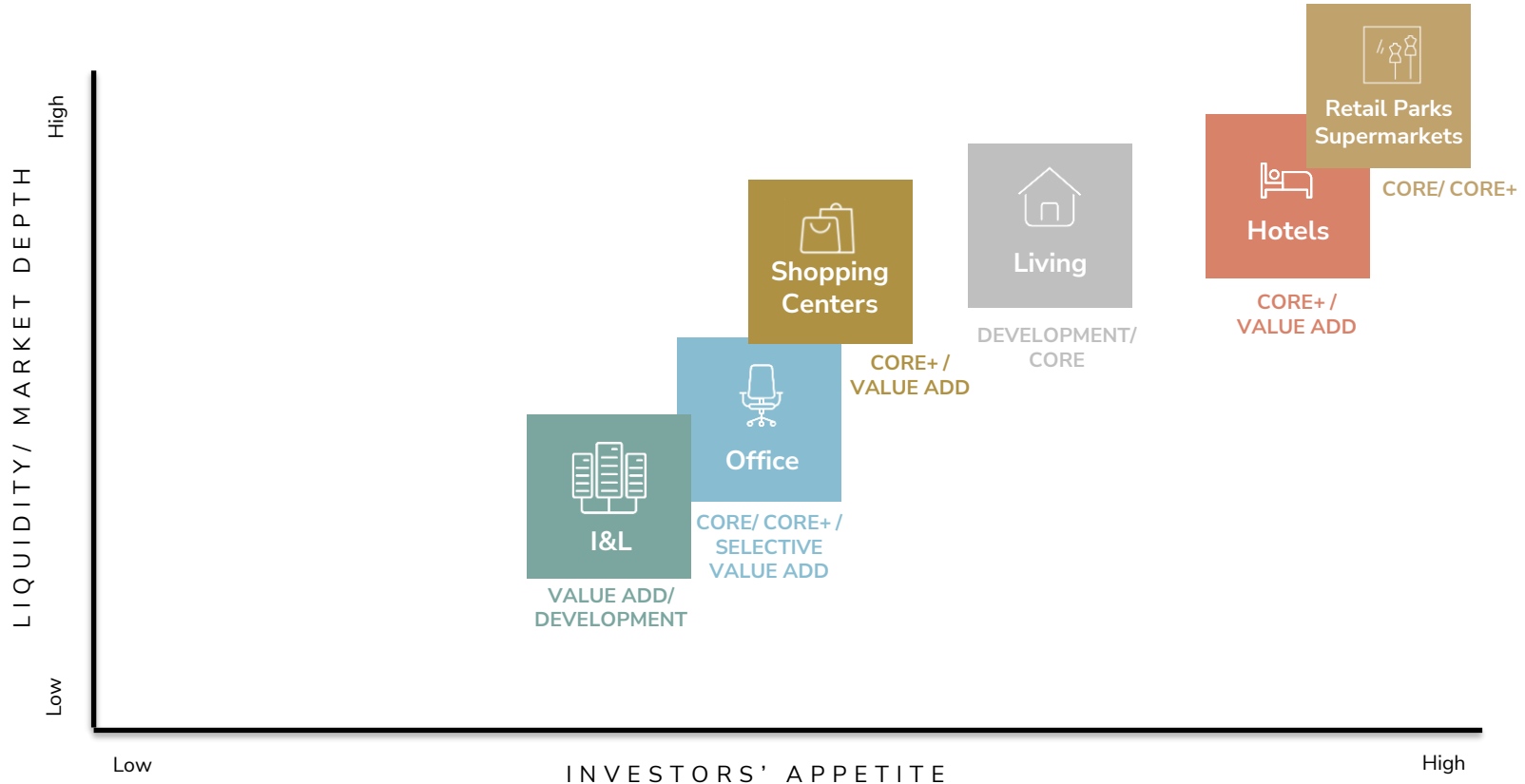
More complex value  
backdrop challenging pricing  
hierarchy

06

Buyer and seller expectations  
misalignment

# Capital gravitating to the most liquid scalable sectors

while there is opportunity in execution led segments





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